

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION**

In the Matter of: CAH Acquisition Company #16, LLC d/b/a Haskell County Community Hospital Debtor	Case No. 19-01227-5-JNC Chapter 11
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**BANKRUPTCY ADMINISTRATOR’S RESPONSE TO SECOND INTERIM FEE
APPLICATION OF SAK MANAGEMENT SERVICES, LLC FOR THE PERIOD OF
AUGUST 1, 2019 THROUGH JANUARY 31, 2020 (NO HEARING REQUESTED)**

NOW COMES the Bankruptcy Administrator for the Eastern District of North Carolina (“BA”) and respectfully files this response to the Second Interim Fee Application of SAK Management Services, LLC for the period of August 1, 2019 through January 31, 2020 and, in support thereof, shows the Court the following:

1. “The Bankruptcy Administrator ‘may raise and may appear and be heard on any issue in any case under title 11, United States Code, but may not file a plan pursuant to section 1121(c) of such title.’ Judicial Improvements Act of 1990 § 317(b), Pub. L. No. 101-650, 104 Stat. 5089 (1990). See 11 U.S.C. § 704(b); H.R. Rep. No. 95-595, at 88, reprinted in 1978 U.S.C.C.A.N. 5963, 6049.” *Lynch v. Jackson*, 845 F.3d 147, 149 n.1 (4th Cir. 2017).

2. SAK Management Services LLC seeks compensation in the amount of \$19,095.00 in professional fees and reimbursement of expenses in the amount of \$1217.95. The BA objects to the fees requested in the amount of \$4000.00. The fee application contains what appears to be an error in which SK billed 10 hours to review emails on a fee application on 11/6/2019. With that exception, the BA has no objection to the other fees and expenses being requested.

3. However, according to the monthly report filed for the period ending January 31, 2020, the Debtor owes unpaid professional fees, in the amount of \$216,820.47 and accounts payable in the amount of \$1,889,747.00. The Debtor has a sale pending that has not closed as of the date of this response. It appears from the amount bid that the estate is administratively insolvent.

Wherefore, the BA requests that the court allow the fees in the amount of \$15,095.00 and reimbursement of expenses in the amount of \$1217.95 on condition that the fees may not be paid

without a separate order of disbursement to be filed upon the sale of the hospital or order confirming plan. No hearing is requested on this response.

Respectfully submitted, this the 18th day of March 2020.

/s/ Marjorie K. Lynch

Marjorie K. Lynch

Bankruptcy Administrator

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CERTIFICATE OF SERVICE

I, Marjorie K. Lynch, of 434 Fayetteville Street, Suite 640, Raleigh, North Carolina, 27601, certify:

That I am, and always hereinafter mentioned was, more than eighteen (18) years of age.

That on this day, I served copies of the foregoing document electronically upon the following:

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I certify under penalty of perjury that the foregoing is true and correct.

Dated this 18th day of March 2020.

/s/ Marjorie K. Lynch
Marjorie K. Lynch
Bankruptcy Administrator
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(919) 334-3885

